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Part I, Public Schools

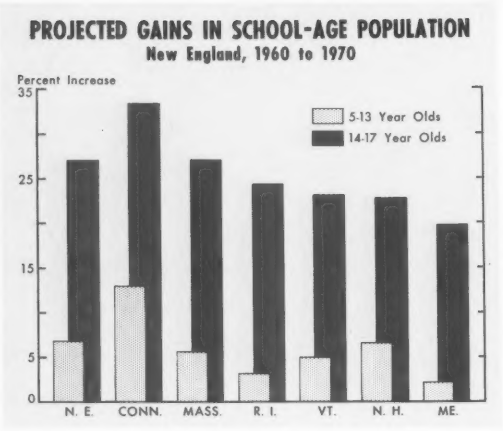
Education in the 1960's

New England enters the 1960's with a backlog of unfilled needs for teachers and for classrooms — needs that will increase as enrollments continue to expand. Hardly a community in the region has not faced the necessity of finding means to provide education for a rapidly expanding school-age population, and that population will continue its growth in the new decade.

The elementary and high school-age group in New England is expected to increase by 12 percent in the next ten years. On the basis of current standards it is estimated that public school enrollments in New England will increase to about 2.1 million in 1970, that 19,000 additional teachers will be needed to staff local schools, and over 27,000 new classrooms will be required to accommodate increased enrollments, eliminate overcrowding, and replace obsolete facilities.

In the past the local communities have borne the major share of the costs of running the public schools. The impact of satisfying needs in the next decade for the region's public elementary and secondary schools will vary from place to place, but in most communities needs will result in a substantial increase in local expenditures for educational purposes. (*Continued on page 2*)

Also **Machine Replacement Practices,** *page* **5.**
Bank Earnings up in 1959, *page* **7.**



School-Age Population

The full brunt of the postwar population explosion fell on the elementary schools during the last decade. In the next decade school enrollments are expected to increase at all levels, but pressures will be intensified at the high school and college levels. The elementary school-age population in the region is expected to increase by only 7 percent between 1960 and 1970, but the high school-age group is expected to increase by 27 percent and the college-age group by 51 percent.

The impact of school-age population growth on the region's educational system has already been serious — overcrowded schools, understaffed classrooms, rising costs of school operations. During the 1930's and much of the 1940's the volume of new construction of school facilities was limited. The higher birth rate of the late 1940's and the decade of the 1950's, shifts in population, and the higher proportion of young people staying in school longer — all these changes have intensified the shortage of school facilities that was building up in preceding years.

In 1956 enrollment at all elementary and secondary schools in New England was slightly above two million. In recent decades rising income levels, increasing recognition of the desirability and need for education, and state legislation to keep young people in school have also contributed to the higher enrollments. In New England a higher proportion of the school-age population than in the nation attends school, and New Englanders on the average attend school longer.

As a result of the role played by privately supported schools in the education of young people in the region, the burden of the swelling school-age population probably has not been as great on the budgets of New England communities as in areas where a higher proportion of students are enrolled in public schools. While these projections are primarily concerned with needs that may arise in the field of publicly supported education, the degree to which they develop will be influenced by the expansion that takes place in the private schools.

In the 1955-56 school year, 20.7 percent of the students were enrolled in private schools in New England, compared with 13.1 percent for the nation. Twenty-one percent of elementary school pupils and 19 percent of secondary school students in New England were in private schools, principally Catholic schools.

The last year for which enrollment data for the region's private schools are available is for the school year 1955-56. In the table below private and public school enrollment in that year is compared with projected enrollment in 1970. The projected enrollment figures assume that in the next decade private schools which lagged in expansion during the 50's will increase enrollment faster than the public schools in the 60's.

Some states have made independent projections of school enrollment to 1970. These independent estimates differ, in some cases substantially, from those in the table. The major source of difference seems to be in the population estimates, probably a reflection of the fact that no complete census has been taken since 1950.

Classroom Needs

While many New England communities have made concerted efforts to meet classroom needs, some rapidly growing areas have found that their expansion programs were inadequate even before construction was completed. In the fall of 1958 there were 70,500 classrooms available for instruction in New England public elementary and secondary schools. The United States Office of Education estimated that this was over 7,000 short of the number needed to eliminate overcrowding and to replace unsatisfactory or obsolete facilities. By 1970 an increase in enrollment of about 371,000 is expected to create a need for an additional 13,300 classrooms bringing the total of new classrooms needed to eliminate the existing shortage and to

ELEMENTARY AND SECONDARY SCHOOL ENROLLMENT

(Thousands)

	Public School Enrollment		Private School Enrollment		Total	
	1955-56	1970	1955-56	1970	1955-56	1970
New England	**1,610**	**2,108**	**420**	**570**	**2,030**	**2,677**
Maine	177	219	33	44	210	262
New Hampshire	90	114	31	40	121	154
Vermont	71	91	16	20	87	110
Massachusetts	766	1,015	221	290	987	1,304
Rhode Island	117	157	45	56	162	213
Connecticut	389	513	74	120	463	633

Detail may not add to total because of rounding.

Source: 1955-56 Enrollment, U. S. Office of Education.
1970 Estimate, Federal Reserve Bank of Boston.

CLASSROOM CONSTRUCTION NEEDS

	Total Additional Classrooms Needed 1959-1970	Cost of Additional Classrooms (thousands, 1957 dollars)	Annual Average Classroom Construction 1954-55 through 1958-59	Annual Average Additional Classrooms Needed 1959-60 to 1970
New England	**27,111**	**$1,294,241**	**3,069**	**2,465**
Connecticut	5,137	270,021	1,116	467
Maine	2,894	65,665	211	263
Massachusetts	13,860	774,316	1,223	1,260
New Hampshire	1,326	35,703	217	121
Rhode Island	2,001	96,419	190	182
Vermont	1,893	52,117	112	172

take care of the projected increase in enrollment to over 20,000.

Over the next decade it is likely that some older school facilities now considered adequate will need replacement. Shifts in population and the desirability of closing small schools and transferring students to larger, integrated schools will contribute to the increase in number of obsolete facilities. It has been estimated on the basis of national averages that about 9,500 additional classrooms will be needed in New England by 1970 to offset obsolescence. After allowance for 2,800 new classrooms completed in the 1958-59 school year, about 27,000 new classrooms will be required in the region by 1970 if needs are fully satisfied.

The impact of the projected need for classrooms will vary in different areas. In larger cities there may be unused school facilities, and need for new construction may be largely to replace obsolete buildings. In rapidly growing suburban areas the need for new facilities will come principally from expansion in school enrollments.

There must be large capital outlays for schools to meet these estimated needs for classrooms during the 1960's. On the basis of construction costs in the 1955-56 school year, about $1.3 billion will be needed for school construction in the region. Additional funds will have to be made available to equip and operate these schools. However in some states construction requirements on an annual basis will be less than the average annual accomplishments of the second half of the 1950's as estimated in the table above. If actual needs approximate the level projected then the rate of new school construction may actually fall in Connecticut, New Hampshire, and Rhode Island.

Teacher Needs

Even more important than classrooms in providing high quality education are competent teachers. Nearly 71,000 full and part-time teachers were employed in New England's public elementary and secondary schools in the fall of 1958. Swelling enrollments anticipated in the next ten years will present serious problems for school administrators to find the additional teachers needed. New teachers must be found to relieve overcrowded classrooms in many communities, to take care of larger enrollments, and to replace teachers leaving the profession each year. If the long-term trend to reduce the size of classes continues, it will accentuate the need for classroom teachers.

If public school enrollments in 1970 approximate the levels estimated in the table on page 2, about 19,000 additional teachers will be needed in New England, assuming little change from the current pupil-teacher ratio. About 15,000 teachers will be needed to take care of the anticipated increase in enrollment and another 4,000 to accommodate pupils in excess of normal capacity.

The problems of local school authorities will not be solved by increasing their teaching staffs by nearly 30 percent. The replacement of teachers leaving the field each year presents the major staffing problem. Estimates as to the proportion of teachers who must be replaced annually varies between 7.5 and 10.0 percent.

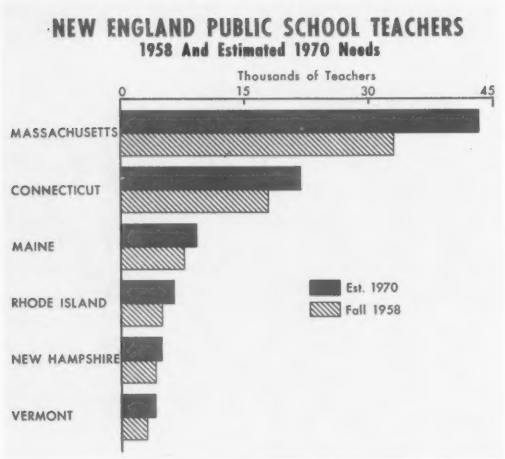
Assuming only a 7.5 percent attrition, local school systems in New England will have to recruit an additional 98,000 teachers to fill replacement needs. This boosts the number of additional teachers needed in the region between 1958 and 1970 to almost 117,000 on the basis of current standards. State estimates of teacher needs in the next decade are illustrated in the chart on page 4.

Not all of these needs can possibly be met by the entrance of new college graduates into the teaching field. For some time a significant proportion of the annual additions to teaching staffs has been met by persons returning to teaching, many of them former women teachers who are freed from home responsibilities as their families grow up.

The need for teachers will be in the face of an increasing demand for trained workers in many industries, and there is only a small anticipated increase in the labor force over the next decade. It may not be possible for our school systems to attract new teachers in the numbers indicated as needed in this projection. If this be the case, it will become even more imperative to use more efficiently the trained teachers available if the quality of education is not to suffer.

Expenditures for Public Schools

Over a half-billion dollars was spent for the operation of public schools in New England in the school year of 1955-56. Current expenditures for all public schools amounted to $459 million, and capital outlays totaled another $101.5 million. Current expenditures for full-time elementary and secondary schools accounted for 99 percent of the total with cost of instruction the largest single expenditure. Current expenditures per pupil in average daily attendance ranged from $221.52 in Maine to $340.87 in Connecticut. The national average was $294.22.



Rising costs, greater demand for school services and increased enrollments will raise expenditures. If average per enrolled pupil current expenditures remain about the same in 1970 as in the 1955-56 school year, total current expenditures alone would increase to nearly $600 million.

In New England the public school system derives its principal support from revenue raised in the local communities. Areas which experience the largest increases in enrollment or which have the highest construction needs will feel the hardest the financial burden of the expanding school needs.

These estimates of school needs over the next ten years are based on 1958-59 standards. These estimated needs may be substantially higher or lower than will be indicated in standards of education prevailing in 1970.

It may well be that by freeing experienced teachers from some of the clerical duties and by making greater use of the newer educational aids such as televison, it will be possible to increase the efficiency of our teaching force. This would make it possible to increase class loads and thus reduce the need for experienced teachers. More efficient utilization of school buildings may also make it unnecessary to increase the school plants as much as is anticipated. The use of newer building materials and construction methods may reduce the size of projected capital outlays. With growth pressures exerting their influence on all parts of our economy, even if the funds are made available to meet these projected needs, the competition for personnel and resources may make it impossible to attain these goals.

Quality of Education

The great expansion in school enrollments in recent years has raised many problems and has seriously strained the region's educational system. However, in addition to the necessity to expand the quantitative aspects of education, the goals of improving the quality of education must not be allowed to slip from sight. This improvement is imperative if the fullest potential of one of the region's most valuable resources, its young people, is to be developed.

A recent study of American high schools* made by Dr. James Bryant Conant, former president of Harvard University, led to his strong recommendations for the strengthening of the education of the ablest students and to the elimination of as many small high schools as possible within geographic limitations. Dr. Conant found that in many small public high schools the enrollment is so limited that an instructional program broad enough and challenging enough to provide a satisfactory education to any group of students can only be provided at an exorbitant expense.

The Committee for Economic Development has also recommended a reorganization of small school systems to increase efficiency.

In view of the substantial expansion of school needs forecast for the next decade, it would be well for school authorities, especially in northern New England, to take a sharp look at their plans for expansion to see if the adoption of at least some of the suggestions made would not only improve the quality of education offered in their area but would also improve the efficiency of their educational resources.

Improvements in education have lagged in some of these northern states. The drop-out rate of high school students in Maine, New Hampshire and Vermont is well above the rate in public schools in Massachusetts and Connecticut. The proportion of school systems and high schools with limited enrollment is also very high in these northern states. Combined with this prevalence of small schools is the lower than average per pupil expenditure for operations of the schools which makes it difficult for school systems to attract competent teachers and to offer an adequate curriculum.

Imaginative action is called for in improving and expanding the region's public school education in the next decade. It is even more imperative in the northern states where the proportion of personal income spent for education is already higher than the average for the region.

*James B. Conant, *The American High School Today*, McGraw-Hill Publishing Company, Inc., 1959.

This article is part of a series of projections of the New England Economy to 1970 made by the Federal Reserve Bank of Boston. A later article will discuss higher education in New England. These articles are based on a longer research document, *Educational Needs in New England to 1970*, issued by this bank and available on request from the research department. The population projections used in this article are from *New England Population and Labor Force Projections* by Frank Sweetser and Everett J. Burtt, Jr., of Boston University. The projections were made for this bank and are available free of charge.

Machine Replacement Practices

Shall we buy a new model or use the old a little longer? That may sound like a puzzled housewife, but it is more likely a bewildered businessman.

Machinery and equipment replacement policy can mean the difference between profit and loss. Other essential factors for an efficient and profitable industrial concern include an effective sales and marketing organization, a productive labor force, a fair tax burden and adequate financing. Several studies indicate that New England seems to fare relatively better than average with respect to labor costs and adequacy and costs of financing, but perhaps a little worse than average with regard to marketing possibilities and tax burdens. New England manufacturers must operate as efficiently as possible to offset the disadvantages they face.

How good are New England's machine replacement practices? Information on replacement practices is not readily available either for New England or the nation; consequently, the New England situation cannot be directly compared to a national average. But what is known about New England practices with regard to machinery and equipment replacement may be judged according to standards of modern plant management.

Management Standards

Machinery purchase decisions can be classified into two types. The first decision is whether or not to buy a machine at all when undertaking manufacture of a new product or when expanding existing operations. This decision is quite easily made — usually it is inevitable that some purchase has to be made.

The second type of machinery purchase decision is much more troublesome. Should a machine of a certain type and vintage already in the plant continue to be used, or should it be replaced by a more modern machine? The modern new machine generally costs more than the existing machine did, and the existing machine is already paid for. Even if it still might have a book value, it requires no additional outlay of purchase funds. If the new machine is acquired, capital funds have to be committed — a risk has to be taken.

How, then, can a decision be made between continuing with the old machine, or purchasing (or renting) the new? According to good plant management practice, the alternative which gives promise of being the more profitable is chosen. Comparing the prospective profitabilities of continuing with the old machine or buying the new begins with the preparation of operating cost statements for each alternative. Stated simply, all the costs per time period, be it week, month or year, are listed. These costs are then divided by the prospective production of each machine to arrive at a machine cost per unit of output. The comparison of per unit costs then enables management to judge whether or not the new machine has a sufficiently lower cost per unit to enable it to earn a reasonable return on its cost. If a reasonable return is indicated, the machine is purchased.

Various formulas for determining the cost and profitability of a new machine are available for use by plant management. Probably the most widely publicized is one developed by the Machinery and Allied Products Institute and termed the MAPI formula. The various formulas differ somewhat in details, but fundamentally they all measure the same thing — the relative profitability of buying a new machine versus operating with the old. In general the simpler the formula the better it is for practical use as long as the formula is based on reasonable assumptions.

It is often stated that the machine profitability formulas are difficult to apply. This is quite true, but this is nothing unusual; many aspects of management are difficult. Plant engineers and superintendents occupy those positions because they have the ability to cope with problems. The average line worker could do an adequate job of running the production process if no problems ever arose.

Practices Surveyed

What procedures do New England manufacturers use in arriving at replacement decisions? To get some inkling of an answer, the Federal Reserve Bank of Boston sponsored a survey of 15 medium-sized nonelectrical machinery manufacturers.* The nonelectrical machinery industry was chosen for the investigation because it is a leading manufacturing industry in terms of employment, and it is an older industry in the region, making machine replacement a widespread current problem.

How do these New England manufacturers arrive at machinery replacement decisions? The following is a listing of the factors they took into consideration:

▸ Comparative profitability of new and existing machines.

While all these firms naturally had to consider cost and profit factors to some extent, only six of the 15 had installed a standard procedure of using some form of cost check-sheet to evaluate the relative profitability of a new versus the old machine within their factories. Even among these six the

*The study was conducted by Dr. Lawrence Hackamack, associate professor of industrial administration, University of Massachusetts.

cost and profits factor was often not the chief deciding element.

The actual formula or method used in evaluating new machine profitability differed among the six companies with the years - to - payoff formula used most often. This formula gives the number of years in which the savings from the new machine will pay for it. Two companies preferred a two-year payoff period. The chief shortcoming of the two-year period is that it sets too high a requirement. If a machine saves enough to pay for itself in two years, it actually has a profitability rate of some 40-50 percent a year, assuming a life of 10 years. It is quite doubtful that other phases of manufacturing operations yield that high a return on investment. The trouble here is that machines having a three- or four-year payoff would be rejected even though they could earn a much higher return on investment than the cost of the funds or the earnings rate of the over-all factory.

The manufacturers preferring a two-year payoff formula admitted that the formula was seldom if ever met by a prospective machine. Consequently, the requirements were either lowered to a three- or four-year payoff, or the payoff period was discarded. The net result of initially setting a high requirement and then modifying it is that no standard is relied upon at all. The original goal is an unattainable ideal, and no working standard remains.

While the payoff methods of evaluating machine replacement are crude rule-of-thumb procedures, they must be considered better than no formula at all if the payoff period is reasonable. For example, a payoff period of five years for a machine having a productive life of 10-15 years signifies a fairly reasonable yield on the machine of around 10-15 percent. Such a method can probably be considered acceptable, at least as a first step toward efficient plant management.

Need for new machine.

Three of the 15 manufacturers stated that absolute need was the deciding factor in machine replacement. Need was also mentioned by several other manufacturers as an important secondary factor. Absolute need meant either that the existing machine could no longer be repaired or else it would not do the required quality of work in terms of tolerances, for instance.

Use of the need criterion indicates that plant management is adopting a passive attitude. Rather than taking a positive approach to improving plant efficiency, management is allowing circumstances to dictate its decisions.

Absolute need may have no relation to profitability in a given case. On the one hand, a switch to a new machine could add to a plant's profits long before the old machine is completely worn out. On the other, a certain line of work may no longer be profitable with either a new or old machine. A new machine should not be purchased just because the old one is completely gone.

Future sales.

The sales outlook for the firm or the industry was given as the most important factor in machinery replacement by one surveyed manufacturer and a secondary factor by several others. If sales were to decline drastically, it is obvious that there will be little need for machine replacement. But the great majority of concerns in the nation can expect a rising sales trend. Even if sales volume remains only stable, machinery replacement is a vital problem. A progressive manufacturer has to have confidence, both in the prospects for the industry and in his ability to remain competitive within the industry. A modern, scientific replacement policy is one factor that will help maintain a firm's place in the industry.

Other factors.

Among other factors considered in deciding on replacement are depreciation allowances, effect on workers and pressure of salesmen. While these factors do affect a concern, they are hardly proper ones on which to base replacement policy. Depreciation allowances, for example, give no indication as to whether or not a given replacement will be profitable.

Policy Improvement Needed

In general, this survey of machinery replacement practices in New England reveals that there is much room for improvement. Most of the interviewed companies do not utilize operating and cost data in the straight financial analysis which can give the company a good picture of what is going on. The tendency was to rely on hunches and intuition rather than on facts.

The story of this survey would not be complete, however, unless credit were given where it is due. Two of the surveyed manufacturers do utilize progressive techniques in evaluating machinery replacement. They gather the relevant cost data and base their decision on the results. They have a definite plan for machinery replacement and budget funds annually for that purpose.

For individual machinery producers a carefully directed machine replacement policy is an essential to protect profits. For the machinery industry, adequate replacement policies are essential to preserve the industry's market and competitive position in the market. For the region, effective equipment replacement policies are essential in an economy so dependent on new products and new production techniques.

Bank Earnings up in 1959

Demands for credit in New England were strong in 1959 as the economy continued its recovery from the 1958 recession and pushed into new high ground. Funds supplied from savings tended to decline somewhat and expansion of bank credit was restrained by monetary policy. As a result, competition for funds drove interest rates to the highest levels in recent years.

The high interest rates meant greater current earnings for commercial banks, but for banks selling securities during the year, earnings were partly offset by capital losses due to the decline in bond prices.

Total earnings of First District member banks during 1959 were about 11 percent higher than in the preceding year. Since expenses increased only about 7 percent, net current earnings rose by nearly 17 percent. Losses on sales of securities largely offset this increase so that net profits after taxes rose only about 3 percent.

Higher earnings on loans were responsible for most of the rise in earnings. Part of the reason for this was the higher volume of loans in 1959, but higher rates were also important. The rate on prime short-term business loans was raised twice during 1959 from 4 to 4½ percent in May, and further to 5 percent in September.

Earnings on securities also increased as compared with the previous year but most of the gain was registered by banks outside Boston. The increase was the result of higher rates as the volume of securities held declined.

Noncurrent transactions resulted in a loss of about $44 million as compared with a loss of less than $1 million in 1958. These losses more than offset the increase in operating earnings so that net profits before taxes fell by 17 percent.

MEMBER BANKS EARNINGS AND EXPENSES
(Amounts in Thousands of Dollars)

	Boston		Other First Dist. Banks	
	1959	Percent Change from 1958	1959	Percent Change from 1958
Earnings	**138,888**	+ 10.9	**250,385**	**+10.8**
Interest received on bonds and stocks	21,018	+ 3.9	51,937	+13.4
Interest received on discounts and loans	81,697	+ 14.8	149,267	+11.5
Service charges on deposit accounts	4,022	+ 1.9	19,943	+ 7.8
Trust department	17,738	+ 5.0	16,285	+ 5.2
All other income	13,413	+ 3.3	12,953	+ 5.9
Expenses	**70,317**	+ **6.0**	**171,738**	+ **7.4**
Salaries and wages	37,669	+ 3.5	75,553	+ 4.4
Interest paid on time	3,713	+ 2.7	31,896	+ 8.5
All other expenses	28,935	+ 10.0	64,290	+10.7
Net current earnings	**67,571**	+ **14.7**	**78,646**	**+19.0**
Non-current transactions	−16,088	−277.2	−28,033	−58.7
Profits before income taxes	51,483	− 16.3	50,613	−19.8
Taxes on income	21,623	− 36.6	16,457	−40.8
Net profits	**29,860**	+ **9.0**	**34,156**	− **3.2**
Cash dividends on common stock	15,057	+ 2.6	20,479	+ 7.0

MEMBER BANKS STATEMENT OF CONDITION
(Amounts in Thousands of Dollars)

	Boston		Other First Dist. Banks	
	Dec. 31, 1959	Percent Change from Dec. 31, 1958	Dec. 31, 1959	Percent Change from Dec. 31, 1958
Total Assets	3,118,782	− 1.3	5,747,146	+ 2.4
Total reserves, cash and balances	**728,916**	− **2.5**	**1,079,422**	+ **0.9**
Total investments	**728,577**	**−14.0**	**1,915,831**	− **4.7**
U. S. securities	597,010	−14.2	1,419,310	− 5.4
Other securities	131,567	−12.6	496,521	− 2.5
Total loans and discounts	**1,599,204**	+ **6.9**	**2,642,699**	+ **8.9**
Commercial and industrial loans	919,700	*	874,986	*
Real estate loans	109,836	−12.3	754,067	+ 6.0
Other loans to individuals	297,886	+13.8	802,443	+ 13.4
All other loans	310,461	*	265,761	*
Reserve for bad debt losses, etc.	38,683	+ 4.4	54,558	+ 8.0
All other assets	**62,085**	**−10.4**	**156,645**	+ **51.3**
Total liabilities and capital accounts	3,118,782	− 1.3	5,747,146	+ 2.4
Liabilities	**2,793,775**	− **2.1**	**5,267,144**	+ **2.4**
Demand deposits	2,512,469	− 1.1	3,689,709	− 0.5
Time deposits	199,630	−12.7	1,381,166	+ 2.2
All other liabilities	81,676	− 4.0	196,269	+129.3
Capital accounts	**325,007**	+ **6.4**	**480,002**	+ **2.9**

*Not applicable due to reclassification.

The heavy capital losses reduced income taxes substantially, so that net profits after taxes were actually higher than 1958 for the Boston banks, and only slightly below for the outside banks.

Net profits were 9.2 percent of capital accounts at Boston banks and 7.1 percent outside. Dividend payments increased moderately in 1959, and averaged about 55 percent of net profits.

Changes in Loans

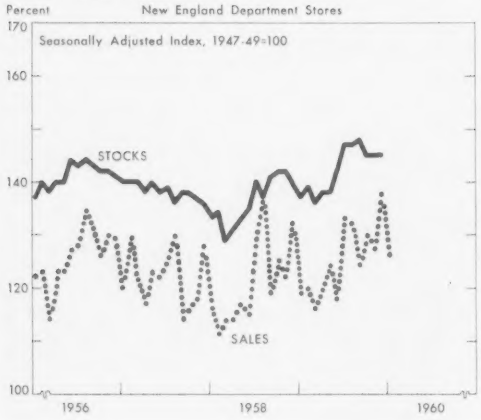
Monetary restraint during 1959 limited the growth in loans and investments to a modest 1 percent. The increased demand for loans could be accommodated only by sale of securities.

Business loans — Business borrowing rose during the year as recovery progressed although the steel strike limited inventory build-up somewhat in the last half of the year. A direct comparison with year ago figures is not possible because of a reclassification of loans during 1959. Combined business and "all other loans" increased almost 10 percent. Sales finance borrowing rose in the last quarter as a consequence of rising auto sales on credit.

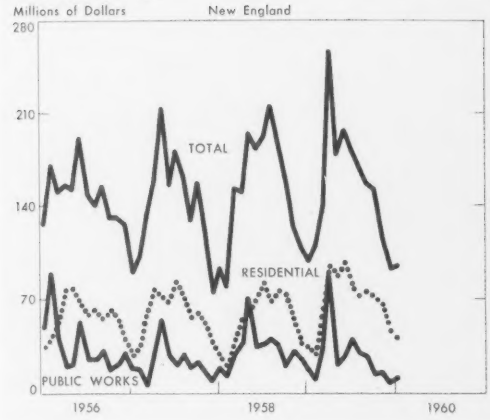
Consumer loans — District banks showed a 13 percent increase in instalment lending. All categories rose — auto and appliance loans, single payment and revolving credit loans, and repair and modernization loans.

Real estate loans — Housing credit rose at outside banks but declined in Boston. Boston banks have a relatively large amount of "warehoused" loans which are held on a temporary basis for other lenders.

SALES AND STOCKS



CONSTRUCTION



MANUFACTURING INDEXES (seasonally adjusted)	MASSACHUSETTS (1950–52 = 100)			NEW ENGLAND (1950–52 = 100)			UNITED STATES (1957 = 100)		
	Jan. '60	Dec. '59	Jan. '59	Jan. '60	Dec. '59	Jan. '59	Jan. '60	Dec. '59	Jan. '59
All Manufacturing	116	114	113r	118	117	108	112	109	100
Primary Metals	107	99	96	101	101	90	114	108	95
Textiles	46	45	47	66	66	65	n.a.	112	108
Shoes and Leather	104	101	122r	115	116	117r	n.a.	n.a.	104
Paper	109	106	105	132	129	121	n.a.	113	105

	NEW ENGLAND	Percent Change from:		UNITED STATES	Percent Change from:	
	Jan. '60	Dec. '59	Jan. '59	Jan. '60	Dec. '59	Jan. '59
BANKING AND CREDIT						
Commercial and Industrial Loans ($ millions) (Weekly Reporting Member Banks)	1,340	− 2	n.a.	30,035	− 1	n.a.
Deposits ($ millions) (Weekly Reporting Member Banks)	4,444	− 1	0	108,702	− 1	n.a.
Check Payments ($ millions) (Selected Cities)	8,747	−13	+ 3	230,100	−12	+ 4
Consumer Installment Credit Outstanding (index, 1950–52 = 100)	234.0	0	+11	264.8	0	+17
TRADE						
Department Store Sales (index, seas. adj. 1947–49 = 100)	126	− 9	+ 6	147e	− 1	+ 7
Department Store Stocks (index, seas. adj. 1947–49 = 100)	141	− 3	+ 3	160	− 1	+ 5
EMPLOYMENT, PRICES, MAN-HOURS, & EARNINGS						
Nonagricultural Employment (thousands)	3,573	− 3	+ 3	52,229	− 3	+ 3
Insured Unemployment (thousands) (excl. R. R. and temporary programs)	181	+35	−12	2,214	+22	−13
Consumer Prices (index, 1947–49 = 100)	126.6 (Mass.)	0	0	125.4	+ 0	+ 1
Production-Worker Man-Hours (index, 1950 = 100)	90.2	0	+ 4	100.6	− 1	+ 6
Weekly Earnings in Manufacturing ($)	82.59 (Mass.)	0	+ 3	92.52	+ 1	+ 6
OTHER INDICATORS						
Construction Contract Awards ($ thous.) (3-mos. moving averages Nov., Dec., Jan.)						
Total	101,315	−16	− 7	2,263,278	−12	− 6
Residential	50,403	−17	+18	1,004,177	−16	− 6
Public Works	10,769	− 9	−55	376,748	− 8	−18
Electrical Energy Production (index, seas. adj. 1947–49 = 100)*	209	− 2	+ 6	267	0	+ 9
Business Failures (number)	62	+44	− 9	1,181	+ 9	− 7
New Business Incorporations (number)	1,019	−14	− 7	18,189	+11	− 3

*Figure for last week of month
r = revised
n.a. = not available
e = estimate